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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding no.	91271087
Party	Plaintiff Jemie B.V.
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Date	02/01/2023
Attachments	Reply ISO Jemie Motion for Leave to File Amended Not. of Opp. CANNATE RRA.pdf(324125 bytes)

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE TRADEMARK TRIAL AND APPEAL BOARD

JEMIE B.V.,)
Opposer,)
v.) Opposition No. 91271087
TODD HIMLE,)
Applicant.)

Opposer, Jemie B.V. ("Jemie" or "Opposer") submits this reply in support of its Motion for Leave to File First Amended Notice of Opposition and For A Suspension and Extension of the Discovery and Testimony Deadlines (the "Motion"). Applicant's Response contains errors of fact, provides legal authority that actually supports Opposer's Motion, and generally articulates no undue prejudice to Applicant – or any other cognizable reason – that Opposer's first Motion to amend should be denied. Applicant also offers no valid basis for denying Opposer's first unilateral and unconsented Motion for an extension of time. Thus, under the Board's liberal standard for providing leave to amend, Opposer's Motion should be granted, including a suspension and extension of time for discovery after the answer to the amended pleading.

I. <u>Applicant Has Failed to Establish Any Prejudice, Bad Faith, Dilatory Motive or Futility Arising from the Grant of the Amendments Sought by Opposer.</u>

Applicant fails to show any undue prejudice, bad faith, dilatory motive or futility.

Applicant's Response makes conclusory allegations of prejudice, but cites no facts that the Board has recognized as prejudicial. Applicant makes no plausible arguments concerning any bad faith or dilatory motive by Opposer, knowing full well that the parties have engaged in settlement discussions for much of this proceeding, so any delays have been mutual. *See* Declaration of

David S. D'Ascenzo, ¶¶ 7-9. Finally, Applicant's Response contains no arguments that Opposer's requested amendments are futile – saying nothing more than they are "not necessary" and "raise no new issues," which is not the standard. *See* Motion, p. 4; Response, p. 2.

A. Applicant Has Not Articulated Any Cognizable Prejudice.

Applicant states that it would be "unduly prejudicial" to grant Opposer's Motion.

Response, p. 4. However, he provides no facts to buttress this claim of prejudice.

To the extent Applicant asserts any basis for claiming that he would be prejudiced by Opposer's amendment, they are as follows: (1) speculation that allowing Opposer to amend would "create a purported need to extend the discovery deadlines" (Response, p. 2; see also Response, p. 5); (2) "there is no need to amend the Notice of Opposition" because Applicant already was aware of Opposer's family of marks (,Id at p. 4); (3) it is "unnecessary" for Opposer to re-order and elaborate on the allegations in the original Notice of Opposition (Id.); (4) Opposer could have pled the common-law use of CANNA TERRA and included additional references to its CANNATALK registration in its original Notice of Opposition (Id. at p. 5); and (5) Applicant would have to answer an amended Notice of Opposition and potentially face discovery (Id. at p. 6). None of these assertions amount to undue prejudice and Applicant cites no authority for treating them as such.

Applicant acknowledges that he was well aware of Opposer's claims to a family of marks. *See* Motion, pp. 4-5 and Response, p. 4 (admitting that "Opposer already has made this assertion in the original Notice of Opposition"). CANNA-formative names, however, were not pled as part of the "family" in Opposer's Notice of Opposition. Marks and names are different, are important rights, both on their own and as part of a family, and Applicant appears to conflate the two rights in its Response. Response, p. 4. Amending the Notice of Opposition to amplify and clarify that Opposer is, in fact, pleading its family of marks *and names* is precisely the type

of substantive amendment contemplated by the Federal Rules. *See* Motion, p. 5. Similarly, adding the CANNATALK and CANNA TERRA marks to the proceeding does not prejudice Applicant and, to the extent Applicant wishes to take discovery about this mark and its use, Opposer stated in its motion that it will not object to such discovery (and discovery remains open at this time). Further, amendments to a pleading under Rule 15(a) of the Federal Rules of Civil Procedure often include claims that arose prior to the initial pleading and the suggestion by Applicant that this is somehow improper ignores this reality.

Lastly, since the operative pleadings set the underpinnings of the trial, it is important for those pleadings to reflect the entirety of Opposer's claims, and their factual basis, as well as Applicant's responses. Applicant concedes that "Opposer has provided Applicant with ample notice of its grounds for the opposition..." Response, p. 4. That Applicant has been aware of Opposer's claims that are subject to its Motion to amend, however, is not enough. Allowing the amendment of the pleading, including to re-order and elaborate upon existing allegations, is not only favored under the Federal Rules and the Board's precedent, but quite necessary. *See* Motion, p. 4.

Finally, as noted, Applicant asserts that it is prejudicial for it to have to answer an amended notice. Response, p. 6. If having to file an answer were the standard for a finding of prejudice, then amendments would be disallowed entirely after the initial answer; however this is not the case. Thus, the mere need to answer an amended pleading cannot form the basis of any prejudice suffered by Applicant as a result of granting the Motion. Again, Applicant cites no authority to support his position.

B. Applicant Has Not Alleged Any Cognizable Bad Faith or Dilatory Motive, and the Proposed Amendments Are Not Futile.

None of Applicant's arguments in the Response amount to a showing of Opposer's bad faith or dilatory motive, and Applicant does not even claim that the amendment is futile. To the extent Applicant is asserting that Opposer's Motion is in bad faith or dilatory because Opposer has not yet, in his view, provided a sufficient response to Applicant's settlement offer, his argument must be rejected and Applicant offers no case law to the contrary. The failure of settlement negotiations (to date) is no indication of bad faith or dilatory motive. As noted by Applicant, the parties are engaged in another opposition over a different mark, as well as a dispute in Canada concerning the same marks at issue here. Thus, settlement negotiations are complicated. In fact, Applicant admits that settlement discussions have been ongoing, noting in its supporting document that its counsel has had ongoing communications with Opposer's U.S. counsel regarding settlement, with the most recent communications in December 2022, and as recently as January 17, 2023. See Declaration of David S. D'Ascenzo, ¶ 7-9.

Finally, this request is Opposer's <u>first</u> unconsented Motion for an extension of time during this proceeding precisely because Applicant and Opposer have been engaged in settlement negotiations for the majority of this proceeding to date.

C. Applicant's Own Case Law Supports Opposer's Motion.

Applicant cites no authority denying a motion to amend under similar circumstances and the cases Applicant does cite actually support the grant of the Motion. See Black & Decker Corp. v. Emerson Electric Co., 84 USPQ2d 1482 (TTAB 2007) (denying motion to amend filed four days after close of trial period); Commodore Elecs. Ltd. v. CBM Kabushiki Kaisha, 26 USPQ2d 1503 (TTAB 1993) (granting motion to amend that opposer filed three days prior to the close of discovery and where opposer agreed that applicant could take discovery on new claim should the

motion be granted); U.S. Olympic Comm. v. O-M Bread, Inc., 26 USPQ2d 1221 (TTAB 1993)

(granting motion to amend filed during pendency of summary judgment motion).

II. Discovery Is Not Closed and Should Be Extended.

Applicant incorrectly asserts that "the deadline to serve fact discovery...was January 14,

2023." In fact, discovery closes on February 14, 2023. See Dkt. No. 19. Thus, Opposer filed its

request to amend well within the discovery period, prior to the expiration of the deadline for

expert disclosures, and well within the time that the Board has granted the type of amendments

sought by Opposer.

Assuming that the Board grants the Motion to amend, the parties should also be given

sufficient time to complete any fact or expert discovery arising from the inclusion of the new

allegations and Applicant's response to them. Applicant cites no authority for denying Opposer's

motion for suspension and extension, nor has he made any attempt to refute Opposer's authority.

Opposer has shown good cause – to allow for discovery concerning the new allegations and any

answer thereto. See Motion, p. 7-8.

III. **Conclusion**

For the foregoing reasons, Opposer respectfully requests that the Board grant Opposer's

Motion, suspend the proceeding pending a decision on the Motion and, assuming the Board

grants the Motion, extend the applicable deadlines after reaching its decision.

Dated: February 1, 2023

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CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing OPPOSER'S MOTION FOR LEAVE TO FILE FIRST AMENDED NOTICE OF OPPOSITION AND FOR A SUSPENSION AND EXTENSION OF THE DISCOVERY AND TESTIMONY DEADLINES was served upon Applicant, via its counsel, on February 1, 2023, via e-mail, at the following address:

David S, D'Ascenzo Kolitch Romano Dascenzo Gates LLC 621 SW Morrison Street, #1100 Portland, Oregon 97205 david@krdglaw.com

s/ Novaira T. Paul